

Central Intelligence Agency



Washington, D.C. 20505

82-4159/2

5 FEB 1982

Honorable Malcolm Baldrige
Secretary of Commerce
Washington, D.C. 20230

Dear Mac,

As the result of our analysis of recently acquired intelligence information the CIA now believes that the tungsten carbide production technology transferred as part of the Dresser drill bit plant sold to the USSR will be used in improving the armor-penetrating performance of anti-tank ammunition. Although the equipment transfer is complete, it is our understanding the Soviets still desire hands-on assistance by US technicians called for in the Dresser contract. Denial of technological assistance, while causing some delay in starting up the plant, would also have a detrimental effect on the quality of the plant product and more importantly could stretch out the time required to assimilate the technology to produce improved anti-tank penetrators.

A copy of our intelligence assessment is attached for your use. I am bringing this to your attention because of your current review of this case. If we can be of any further assistance in this matter, please contact Dr. Robert Gates, my Deputy Director for Intelligence [redacted]

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Sincerely,

/s/ William J. Casey

William J. Casey
Director of Central Intelligence

Enclosure

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SECRET [redacted]

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